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February 2, 2007

Bob Lane  
Montana Fish Wildlife and Parks  
1420 East 6<sup>th</sup> Avenue  
Helena, MT 59620-0701

Mike McGrath  
Office of the Attorney General  
215 North Sanders Street  
Third Floor  
P.O. Box 201401  
Helena, MT 5920-1401

Re: Proposed Litigation Regarding Delisting of Grey Wolf

Dear Sirs:

I represent the Friends of the Northern Yellowstone Elk Herd ("FONYEH") with regard to the proposed litigation regarding the U.S. Fish and Wildlife Service's ("FWS") failure to delist the grey wolf in Montana. As you may know, pursuant to the Endangered Species Act ("ESA"), on October 5, 2001, the FONYEH filed a petition to delist the wolf ("petition") with the FWS. The FWS eventually denied the petition on October 25, 2005. As you also know, only those who have filed a "petition to delist" have standing to litigate the denial of that petition and the failure to delist. In this case, in Montana, the only group that has such standing is the FONYEH.

Because of the expense of federal court litigation and the expense to the state of Montana resulting from the wolf, pending before the Montana legislature is House Bill 343. I understand that one of your concerns with the bill is to ensure that if passed, the moneys appropriated by the bill would be properly expended on this litigation. To ensure that these appropriated funds are properly spent and after discussing this matter with my client, I have been authorized to request that you or a designee within your offices, act as co-counsel in this matter to work with this firm to ensure that any federal litigation be properly conducted. That would obviously include your offices' involvement in preparing the complaint, reviewing the administrative record and preparing the necessary motion for summary judgment.

My client has requested that I make this offer to you in the hopes that the interests of my client and the people of Montana can be unified as we work towards delisting the wolf.

I appreciate your consideration of this offer. Should you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Karen Budd-Falen

Karen Budd-Falen  
Budd-Falen Law Offices, LLC

KBF:nec

xc: Bill Hoppe - FONYEH